

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT:

Agriculture and Cooperation-Pavala Vaddi for Crop Loans-Comprehensive Guide Lines-Orders-Issued.

AGRICULTURE AND COOPERATION(F.P.II)DEPARTMENT

G.O.Ms.No.161

Date: 24th June,2008

Read:

From the Commissioner and Director of Agriculture, Hyderabad
Lr.NO.Credit/325/2008, Dated:16.05.2008.

ORDER:

The Commissioner and Director of Agriculture, Hyderabad in the referenceread above has reported that during the meeting held on14.05.2008 it was decided to implemnet "Pavala Vaddi" from Kharif 2008-09 onwards and requested the Government to issue necessary guidelines to the bankers and field staff. An amount of Rs.310 Crores has been provided in the Budget of 2008-09 under Normal State Plan.

2. Government have felt that additional relief to the farmers is expedient for mitigating their hardship by allowing interest incentive and Government here by decided to extend crop loans to the farmers at Pavala Vaddi at 3% interest rate during 2008-09.

3. For effective implementation of the above scheme, Government after careful examination hereby issue the following guide lines for operationalising the scheme in the entire state except Hyderabad District.

- i) The scheme shall be applicable to all those farmers who have obtained Short Term Production Credit (Crop loan) from Scheduled Commercial Banks, Cooperative and Regional Rural Banks in Andhra Pradesh starting from Kharif, 2008.
- ii) In this scheme, the interest charged by the banks, over and above 3% per annum shall be reimbursed to the loanee farmers by the State Government
- iii) Only those loanee farmers, who repay the loan taken by them from Kharif'08 onwards by the due date, shall be eligible under the scheme.
- iv) The Short Term Production Credit disbursed for Kharif ' 2008 will be eligible for reimbursement of interest rate in the month of January' 2009 and February'2009 for those farmers who have repaid entire loan amount by December 2008 and January 2009 respectively.

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- v) The Short Term Production Credit referred to herein, includes Crop Loan and the Maintenance loan for Horticultural crops.
 - vi) In the reimbursement process of the interest incentive to the loanee farmers, the Department of Agriculture shall collect the certified statement of list of farmers who have repaid the loan by due date; from each Bank-branch on 1st of the month after the due date for repayment.
 - vii) The Department of Agriculture shall compile the list of eligible farmers for the interest incentive at the ADA level for release of interest incentive based on the certified statement of each bank branch.
 - viii) Accordingly, the Asst. Director of Agriculture shall prepare Bank Branch wise cheques and get the incentive credited to the Savings Banks A/cs of loanee farmers under proper instructions, duly intimating to the individual loanee farmer and Branch Manager.
 - ix) The amount of incentive given to the eligible farmers shall be credited in the individual Account, enabling them to withdraw the same at their end.
4. The Commissioner and Director of Agriculture, Hyderabad is requested to take necessary further action in the matter for effective implementation of the scheme

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**C.R.BISWAL
PRINCIPAL SECRETARY TO GOVERNMENT**

To
The Commissioner and Director of Agriculture,
Hyderabad
Copy to:
All District Collectors in the State.
The Convenor, SLBC, Saifabad, Hyderabad (with a request to
Communicate the same to all bankers in the state)
Finance(EAC) Department
Finance(IF) Department
P.S. to Special Secretary to C.M.,
P.S. to Minister(Agriculture)
P.S. to Minister(Cooperation)
P.S. to Principal Secretary(Agri/APC/C&A.M.,)
Sf/sc

//FORWARDED : : BY ORDER//

SECTION OFFICER